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In the Supreme Court of the United States

OCTOBER TERM, 1936.

No. 36.

SAMUEL B. SMITH,
Petitioner,

vs.

JAMES MANUFACTURING COMPANY and
ELMIRA HATCHERIES, INC.,
Respondents.

RESPONDENTS' BRIEF ON REARGUMENT.

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THE GATES LEGAL PUBLISHING CO., CLEVELAND, OHIO

SUBJECT INDEX.

The Reasons for this Brief 1

Point I: Petitioner's Diverse Position as to the Scope of Its Patent 2

Point II: No Court has Construed the Smith Patent as Broadly as this Court Construed It 3

Cooley Case 7

Hillpot Case 8

Point III: Reason Why Earlier Decisions Distinguished Smith Patent from Hastings: The Earlier Decisions Limited Construction of the Smith Patent to Details 11

Point IV: Petitioner's Inconsistency of Position on Infringement and Anticipation 14

Point V: Error by Petitioner as to When Respondents Started Separate Hatching 19

James Incubator Cannot Hatch 23

Point VI: Error of Petitioner as to Hastings' Air Speed Being Different from Smith's Air Speed 24

Point VII: Separate Hatching Publicly Disclaimed by Smith 25

Point VIII: Construction and Operation of Hastings' Muskogee Incubator Proven by Petitioner's Own Witnesses and Exhibit 28

Point IX: Smith and Hastings Both Use Slides to Control Air Volume Through the Stacks of Egg Trays 35

Point X: Stage Incubation at Muskogee Confirmed by Contemporaneous Statements in the Hastings File Wrapper 37

Point XI: The Authenticity of the Hastings Blower Confirmed by Petitioner's Own Witnesses and Exhibit 41

Authenticity of Hastings Blower 41

Point XII: Record Refutes Petitioner's Reply Brief as to Hastings' Success and Operation 46

Point XIII: Reply to Petitioner's Objection to "The Dollar Hen" 59

Point XIV: Reply to the Petitioner as to the Davis Hatchery 66

Point XV: Title: Exclusive Licensee, The Buckeye Incubator Company, a Necessary Party, is Absent: Smith Has No Title to Sue in the Exclusive Field of the Licensee-Assignee, in which Field Respondents Operate 70

Point XVI: Conclusion 78

AUTHORITIES CITED.

Alcohol v. Canfield, 11 F. (2d) 214, 216 (C. C. A. 2) 78

Boomer v. United Power Press Co., 13 Blatch. 107, 112-13 76

Buckeye v. Blum, 17 F. (2d) 459 (C. C. A. 6) 6

Buckeye v. Cooley, 17 F. (2d) 453 (C. C. A. 3) 3, 4, 6, 7, 8, 12

Buckeye v. Cooley (Judge Bodine) Pet.'s Ex. 2 ..... 11, 12, 30, 32

Buckeye v. Hillpot, 22 F. (2d) 855, 857 ..... 6, 8

Buckeye v. Hillpot, 24 F. (2d) 341 (C. C. A. 3) 6, 7, 8, 9, 10

Buckeye v. Petersime, 19 F. (2d) 721 (C. C. A. 6) 6

Buckeye v. Wolf, 291 F. 253 ..... 5, 6, 7

Corona v. Dovan, 276 U. S. 358, 374 67

Corpus Juris, Vol. 48, Sec. 541, p. 338 77

Crown v. Nye, 261 U. S. 24 ..... 72, 74, 75, 76, 77

Electric Smelting & Aluminum Co. v. Carborundum, 102 F. 618 (C. C. A. 3) 67

Gayler v. Wilder, 10 How. 477 77

Goodyear v. Davis, 102 U. S. 222, 230 24

Gordon v. Anthony, 16 Blatch. 234, 10 Fed. Cas. 773, No. 5605 76

Gould v. Rees, 15 Wall. 187, 194 24

Green v. Le Clair, 24 F. (2d) 74, 77 (C. C. A. 7) 77

Independent v. Radio, 269 U. S. 459 ..... 72, 74, 77

Kaiser v. General Phonograph Supply Co., 171 F. 432-3 76

Moore v. Marsh, 7 Wall. 515, 520 77

Patterson v. Kentucky, 97 U. S. 501 75

Peters v. Bates, 295 U. S. 392 ..... 72, 75

Radio v. Hohenstein, 289 F. 757, 759 (C. C. A. 2) 77

Root v. Railway, 105 U. S. 189 76

Royer v. Coupe, 146 U. S. 524 24

Shields v. Barrow, 17 How. 130, 141-2 74

Six Wheel Corp. v. Sterling, 50 F. (2d) 568 (C. C. A. 9) 77

Smith v. James, 83 F. (2) 217 1

Smith v. Snow, 294 U. S. 1 ..... 2, 3, 4, 6, 12, 15, 16, 17, 19, 52, 60, 63, 73, 78

Stone Case, Pet.'s Ex. 2 ..... 28, 34, 42, 78

Tyler v. Tuel, 6 Cranch 324 77

United States v. Loughrey, 172 U. S. 206 77

Walker on Patents (6th Ed.) Vol. 1, Sec. 218, pp. 291-2 67

Walker on Patents (6th Ed.), Vol. 1, p. 545, Sec. 450 ... 78

Waterman v. MacKenzie, 138 U. S. 252, 255 73

Waxham v. Smith, 294 U. S. 20 ..... 3, 60, 73, 78

Westinghouse v. Boyden, 170 U. S. 537, 569 24

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RESPONDENTS' BRIEF ON REARGUMENT.

The Reasons for this Brief.

Respondents take this opportunity to correct errors in petitioner's reply brief and argument. We also confirm and amplify through this additional opportunity answers to the Court's questions to counsel at the previous hearing. We likewise suggest the question of title that was raised in the Courts below. The decisions of the Court of Appeals in these cases are reported in 83 F. (2d) 217 and 221.

We propose to demonstrate and prove from petitioner's own witnesses and own exhibit the nature of the Hastings prior use, its method of operation and its construction. (Vol. II, R. 766-94, Ex. B.) We propose to show the identity between such proof of petitioner and the drawings of respondents of the Hastings prior use so that petitioner can have no complaint about the nature and quality of the proof as to the Hastings prior use. (Res. Exs. 22

and 22a.) We take it the petitioner cannot impeach his own witnesses and his own exhibit showing the Hastings prior use, which, alone, is ample to show complete anticipation.

POINT I.

PETITIONER'S DIVERSE POSITION AS TO THE SCOPE OF ITS PATENT.

Petitioner's reply brief and argument before this Court emphasize that he claims in effect two different patents at different times:

(1) a narrower patent than this Court construed the Smith patent when petitioner is considering the Hastings prior use.

(2) a broader patent than this Court construed the Smith patent when petitioner is considering the James infringement.

We emphasize the fact that on infringement petitioner finds it necessary to go beyond even the broad construction of the Smith patent accorded to him in the *Snow* case, and to ask this Court to find that his patent covers a method of incubation where less than all eggs of all stages are in a cabinet and where the air does not travel in a defined circuit. Indeed, in petitioner's own brief at one place he confines his patent to a single cabinet in which all eggs of all ages must be in the cabinet and in a single compartment at that, in his effort to avoid the Hastings prior use, (p. 15, Main Brief) while in another part of the brief the broadest interpretation is resorted to when infringement is to be discussed. (p. 23, Reply Brief.)

Petitioner **in the trade** vigorously distinguished his patented method from *separate hatching*, such as practiced by the respondent. He circularized the trade with screaming broadsides that separate hatching was markedly different from the Smith process and condemned separate

The Answer to the separate Hatcher question is →

N

All sorts of rumors have been floating around the hatchery industry concerning our attitude toward a separate hatcher. Some have stated that we proposed bringing on the market such a machine. We have no intention whatever of bringing a separate hatcher on the market. We have definite reasons supported by scientific research for taking this stand. We are thoroughly convinced that the hatcheryman is better off from any standpoint without a separate hatcher. The majority of hatcherymen see no sound reason for a separate hatcher. They have not asked for it, and do not want it.

1. Our Research Department says "NO"

When the separate hatcher was first announced, and desiring to maintain our place of leadership in all phases of hatchery practice, we immediately proceeded to investigate its merits and the attitude of hatcherymen toward it. We tried out various types of hatchers. We built in our own plant, the best separate hatchers ever made. We tested them thoroughly. We studied them from the standpoint of quality of chicks produced—percentage of hatch—from the standpoint of production costs and from every standpoint of hatchery operation. In every case we found every type of separate hatcher a hindrance instead of a help. Our Research Department today is unalterably opposed to a separate hatcher of any type so far conceived by man.

2. Our Field Men say "NO"

In order to make a double check on the separate hatcher question we sent our field men to call on users of separate hatchers and others in the hatchery field. We found an overwhelming sentiment against the separate hatcher. It adds to the cost of producing chicks and lays greater financial burden on the hatcheryman who is already heavily laden with items of expense. We have yet to find a single hatcheryman who can demonstrate that chicks produced in a separate hatcher are any better than, if as good as, those produced in a Smith machine.

3. Our Sales Department says "NO"

The Smith Incubator Company has consistently introduced improvements in both mechanical equipment and methods of operation. Each change, however, has been made after most careful scientific testing and nothing has been offered the industry until it has stood most rigorous trials. Our Sales Department is not in favor of bringing something on the market simply to have another item to sell. Our equipment must be of benefit to the purchaser for we realize, that unless a purchaser makes money with the equipment, the sale will prove to be a boomerang in the long run. For that reason, our Sales Department has said that they do not want to offer a separate hatcher. They do not believe it has any place in the economical production of baby chicks.

The Separate Hatc
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NO!

The Separate Hatcher Has No Place in the Hatchery Industry

Our tests have conclusively shown that a separate hatcher adds to the labor cost because the chicks and eggs must be handled more frequently. Separate hatchers add to the chances for exposing the chicks to damaging temperature and humidity changes. We have not found any separate hatcher which will add to the quality of chick produced---nor will it produce any greater per cent of hatch.

We believe a Smith machine produces a better chick than can be produced with any other type of equipment, and produces it at a lower cost per chick.

hatching roundly as something different and completely apart from his patent. (Pet. Exs. 16 and 38, Broadside Advertising.) In one of these circulars he said to the public:

> "We have no intention whatever of bringing a separate hatcher on the market."

By contrast *in this Court* petitioner claims that separate hatching is fully within the purview of his patent and is just a minor variation of his main idea.

POINT II.

NO COURT HAS CONSTRUED THE SMITH PATENT AS BROADLY AS THIS COURT CONSTRUED IT.

At the hearing one of the Justices of this Court asked a question, which, we believe, was to this general effect:

> In what suit was the Smith patent first interpreted as broadly as it was interpreted by this Court?

Counsel for petitioner who closed petitioner's case replied that in the Third Circuit the patent was construed as broadly as it was by this Court in the *Snow* and *Waxham* cases. This is not correct; the correct answer is: "No court ever construed this patent as broadly as this Court." Let us look at the record on this point.*

In the *Cooley* case invention was attributed to Smith for directing the air through a central corridor between partitions to the floor, where it mushroomed and spread beneath the tiers of eggs, ascended through the egg trays and escaped through definitely arranged air outlets.

The Court said in distinguishing Smith from Hastings:

> "Hastings and Smith, the patentee, no doubt saw the same incubating problems, but Smith pursued a

---

* We should add that petitioner in an effort to prove infringement asks this Court to still further expand the Smith patent.

solution directly opposite that of Hastings. He, too, set eggs in trays arranged in tiers and enclosed them in a chamber and he also provided artificially heated air by a motor driven fan positioned at the top of the chamber, *but he established an air current and regulated its direction by arranging the tiers of trays in two columns parallel with and separated from each other so as to form between them a central corridor and placed partitions or curtains from the top to a short distance from the bottom of the tiers and directed the air current downwardly not through the eggs but through the corridor where it mushroomed on the floor, spread beneath the tiers, ascended through the egg trays and escaped through definitely arranged air outlets. By so controlling the current of heated air Smith claims, and we think correctly, that he is enabled to attain uniformity of temperature in its movement, first, through the old heat radiating eggs, and next, as it ascends, to the newer heat absorbing eggs, it being necessary that the temperature of the former should be maintained at a point not higher than 105° and that of the latter at a point not below 100°.''* (*Buckeye v. Cooley*, 17 F. (2d) 453, 455, C. C. A. 3.)

This limitation of the patent to partitions to direct the current was rejected by this Court when it said:

"But neither the arrangement nor the means of guiding the current of air are requisite to the application of the principle which Smith discovered and claimed." (*Smith v. Snow*, 294 U. S. 1, 11; p. 8, Opinion in Petitioner's Ex. 2.)

"The specifications and claim both contemplate a continuous circulation of the current of heated air through the chamber, which, regardless of its direction, would continuously operate, by repeated contacts with the eggs in all stages, to equalize the temperature throughout the chamber by carrying heat units from the warmer to the cooler eggs." (*Smith v. Snow*, pp. 8, 9, Opinion in Petitioner's Ex. 2, 294 U. S. 12.)

This proves that the broader interpretation was by this Court, contrary to petitioner's answer to the Court.

In *Buckeye v. Wolf,* 291 F. 253, decided by Judge Westenhaver, no oral testimony was produced as to the Hastings prior uses. (p. 257.) In speaking of the Hastings description in "Poultry Culture" not having the feature of Smith to which Judge Westenhaver limited Smith, he said:

> "Something is said about driving the air from top to bottom by a centrifugal fan, but *the position and location of the fan with respect to the eggs and the direction of the drafts are not defined,* much less is any provision disclosed for driving the air currents in a defined channel or for removing the foul air and supplying fresh air." (p. 258.)

As to the Hastings application, Judge Westenhaver said:

> "No well-defined channels for the circulation of the air are provided." (p. 259.)

In describing Smith's method, Judge Westenhaver said:

> "The principle of operation and the hatching method for which this apparatus is designed consist in forcing mechanically a draft of heated air downwardly through the central corridor, where it passes below the bottom of the partition or curtains and ascends through the column of egg trays to the exit at the top of the respective egg chambers * * *. A specified number of the trays of eggs is placed in the stationary egg racks at the top of the egg chambers, and after a predetermined time are removed and placed in the tilting egg rack * * *. The trays are again, after a predetermined time, transferred to the next lower tier, and the operation thus repeated until the eggs have reached the bottom of the tilting rack and are then ready to hatch. They are then transferred to the stationary hatching trays at the bottom of the incubator. It is

solution directly opposite that of Hastings. He, too, set eggs in trays arranged in tiers and enclosed them in a chamber and he also provided artificially heated air by a motor driven fan positioned at the top of the chamber, *but he established an air current and regulated its direction by arranging the tiers of trays in two columns parallel with and separated from each other so as to form between them a central corridor and placed partitions or curtains from the top to a short distance from the bottom of the tiers and directed the air current downwardly not through the eggs but through the corridor where it mushroomed on the floor, spread beneath the tiers, ascended through the egg trays and escaped through definitely arranged air outlets. By so controlling the current of heated air Smith claims, and we think correctly, that he is enabled to attain uniformity of temperature in its movement, first, through the old heat radiating eggs, and next, as it ascends, to the newer heat absorbing eggs, it being necessary that the temperature of the former should be maintained at a point not higher than 105° and that of the latter at a point not below 100°.*" (*Buckeye v. Cooley*, 17 F. (2d) 453, 455, C. C. A. 3.)

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> also claimed that the forced draft circulation of air carries off the heat and foul air from the eggs in the advanced stage of incubation at the bottom of the egg rack, reducing their temperature and delivering the heat to the eggs in the less advanced stages, thereby aiding the incubating process and obtaining a uniform temperature in the egg chamber." (pp. 255-6.)

Later Judge Westenhaver in the *Blum* case found, as did Judge Hickenlooper in the *Petersime* case, that an open box without partitions did not infringe. Both were affirmed by the 6th C. C. A. This shows that Judge Westenhaver in rejecting Hastings did so because he did not show the specific details of the Smith patent to which Judge Westenhaver confined Smith, contra to the holding of this Court in the *Snow* case.

In *Buckeye v. Hillpot*, 22 F. (2d) 855, 857, Judge Bodine limited the patent to passing air through the older eggs first. He said:

> "The Circuit Court of Appeals, in 17 F. (2d) 453, held that the patent disclosed air currents passing first through the eggs in advanced stages of incubation to those in less advanced stages of incubation. This Hillpot does not do."

Judge Bodine held there was no infringement for this reason and was affirmed by the 3rd C. C. A. On appeal in the *Hillpot* case, 24 F. (2d) 341, the Third Circuit Court of Appeals limited the Smith invention to one in which there is:

> "a 'corridor' between tray tiers, and a corridor of a kind defined by its purpose." (p. 344.)
>
> "With such an arrangement the air, confined in a corridor partitioned from the tray tiers by curtains, will move in a current or column to the point of outlet which usually is at the bottom of the corridor, when, after mushrooming, it will pass below the tiers and ascend through the egg trays in a current or column

because it is confined there by the same curtains that first prevented its escape from the corridor. The essence of the invention therefore is forced circulation of heated air in predetermined direction, or stated differently, forced circulation of columns of heated air through columns of eggs." (p. 344.)

The Courts which thus construed Hastings (*Wolf*, *Cooley* and *Hillpot* cases) had no need to give Smith a broad interpretation to make out infringement because they found that the proof of Hastings was not sufficient to meet the details of the Smith patent: when there was a departure from the Smith construction by omitting particulars, as in the *Hillpot* case, the Court of Appeals for the Third Circuit found no infringement.

In the *Wolf* case the infringement was literal; there was no necessity to give a broad interpretation to the patent.

Judge Westenhaver said:

"No question of invention or infringement turns on a close construction of all or any of the claims." (p. 256.)

"In the matter of infringement, no difficulty is presented. Infringement is not only plainly shown, but the defendant's conduct, it seems to me, is and has been inexcusable." (p. 264.)

"His [defendant Wolf] usual method of operation is that of the patent, although he asserts that he has experimentally hatched eggs by shifting the trays about indiscriminately instead of successively from upper to lower levels." (pp. 264-5.)

Cooley Case.

In the *Cooley* case, Judge Bodine said there was no question of infringement or patent interpretation:

"The defendant, Cooley, knew about the litigation in Ohio. He procured, after that suit, a Buckeye in-

cubator (no. 7), called in local carpenters and mechanics and built similar units. These units were all operated during the seasons of 1923 to 1925 inclusive. Infringement seems clear." (Petitioner's Ex. 2, *Buckeye v. Cooley*, p. 4, Opinion.) [Note Buckeye has the exclusive right to make, use and sell Smith incubators up to 16,500 egg capacity—Petitioner's Exhibits 33, 34, Vol. II, Rec. 716-23.]

The Third Circuit Court of Appeals said in affirming Judge Bodine:

> "It will avail nothing to repeat the testimony on the issue of infringement. It will be enough to say that on that issue we find against the defendant." *Buckeye v. Cooley*, 17 F. (2d) 453, 455, p. 4, Opinion in Petitioner's Ex. 2.

Hillpot Case.

By contrast, when Judge Bodine had occasion to construe the scope of the Smith patent to see if it went beyond the mere details of its drawings, he found non-infringement because of the absence of partitions in the Hillpot machine. It was then that he said:

> "Rolla Lawry probably completely anticipated Smith, but his anticipation need not now be considered. In the last analysis, Smith describes his method of hatching to be by maintaining a temperature throughout of 100° and 105° F. No successful operation is possible at such temperatures. His catalogues and the evidence show that the temperature must never exceed 99° F. So the patent does not disclose a successful method of operation." (p. 3, Opinion in Petitioner's Ex. 2, 22 F. (2d) 855, 857.)

Petitioner in his main brief says the Lawry and Hastings prior uses are in the same class. (pp. 20-21.)

In the same case of *Buckeye v. Hillpot* the Third Circuit Court of Appeals approved Judge Bodine finding non-infringement, saying:

"*In the Cooley case infringement was so plain there was no occasion to construe the claims.* In the present case, however, the alleged infringements are of a character that call for their construction. Hence the scope of the claims and how they read, as construed, on the practices of the respondent are the only issues with which we have to deal under the Smith patent." (p. 2, Opinion in Petitioner's Ex. 2, 24 F. (2d) 341, 342.)

• • • • •

"But the issue of infringement in this case does not turn in law on such an interpretation of the claims alone, or in fact on what, as thus far stated, seems a mere reversal of the steps of the patented methods. It turns on another fact, until now purposely omitted, and on its consequent air movement. Looking for the invention by reading the claims in the light of the specification and the file wrapper history of the patent prosecution, one fixed and definite thing is disclosed, first with reference to its presence in the apparatus and next with reference to its use in the methods. That is a 'corridor' between tray tiers, and a corridor of a kind defined by its purpose." (pp. 4-5, Opinion in Petitioner's Ex. 2, 24 F. (2d) 341, 344.)

"The essence of the invention therefore is forced circulation of heated air in predetermined direction, or, stated differently, forced circulation of columns of heated air through columns of eggs. • • •" (p. 5, Opinion in Petitioner's Ex. 2, 24 F. (2d) 341, 344.)

"Turning to the specifications for light upon the claims, we find nothing there suggested in respect to air movement except by currents in predetermined directions. With all this before him what did Hillpot do? He simply omitted curtains. He thus transformed the corridor of Smith into the passageway of the old art. Will this passageway without curtains sustain and direct the air current as it comes from the fan? Hillpot says it will not, and, what is important, Smith does not say it will. With the Smith central idea of means and function for maintaining and directing an air current out of the Hillpot structures, Smith main-

tains that the true meaning of the 'current of heated air' as employed in the patent claims is merely a current 'created • • • with sufficient velocity to *circulate, diffuse and maintain* the air throughout the chamber' and urges that with the curtains off, the air in Hillpot is so diffused, generally and laterally, that it strikes each of the eggs again and again, and, in doing so, it picks up some of the heat units from the warm eggs and carries them to the cool eggs, thereby effecting the desired uniformity of temperature. (It may be observed that it also carries them to other warm eggs.) In a word, he says that air 'agitation' is the essence of his invention, yet nowhere in the file wrapper, specification or claims of the patent do we find any reference to air agitation. This silence, we surmise, is due to the fact that air agitation in the sense of indefinite circulation, diffusion, or churning was prior art. On circulation by defined currents alone Smith was awarded the patent. We cannot find circulation of that kind in any of the Hillpot structures. With curtains off, the tiers of trays present comb fronts to the passageway. When the warm air leaves the fan there is for a moment and for a short distance a current, but as the force weakens the current fades, and the body of heated air does not go to the opposite wall and mushroom but wanders in between each of the scores of trays and goes where it pleases. Instead of one strong current moving in one direction in trunk form, Hillpot has a trunk current only on leaving the fan; then it divides into a multitude of branches which follow no defined courses but only courses made by the least resistance. We are constrained to find that Hillpot did not infringe the claims of the Smith patent in suit." (pp. 5-6, Opinion in Petitioner's Ex. 2, 24 F. (2d) 341, 344-5.)

POINT III.

REASON WHY EARLIER DECISIONS DISTINGUISHED SMITH PATENT FROM HASTINGS: THE EARLIER DECISIONS LIMITED CONSTRUCTION OF THE SMITH PATENT TO DETAILS.

The answer to this proposition is as follows:

(a) Because the patent was construed narrowly by previous Courts due to the fact that infringement in each case was literal and there was no need to do otherwise. Therefore, the Courts found that the incomplete proof of Hastings was insufficient to prove anticipation of the *details* of the Smith patent *when it was so limited to those details*; for instance the Courts in these earlier cases found that Smith was limited to arranging the eggs in a column in a predetermined order with the eggs growing hotter

Since this Brief was printed we have been advised of the decision of the Supreme Court in Canada in the case of *His Majesty the King, on the information of the Attorney General of Canada v. The Smith Incubator Company and The Buckeye Incubator Company*, dealing with the validity of the Smith Canadian patent, which is a substantial duplicate of the Smith American patent now at bar here. We are submitting with this Brief a certified copy of that opinion as the five Justices of that Court concurred in holding the Smith patent invalid in view of the Hastings prior use. The Canadian Supreme Court adopted the interpretation of the Smith patent which this Court has given to it. It has concurred with the opinion of the Court of Appeals for the Second Circuit as to the Hastings prior use anticipating the Smith patent.

Bodine and the Third Circuit Court of Appeals in the *Cooley* case. This Court found that Smith could set his eggs of different ages in any way in any order. It found that the direction of the defined current or the location of the fan for driving this defined current was immaterial and that the Smith patent covered either the air going up or down or horizontally so long as there was a defined current, contrary to the Courts of Appeals of the Sixth and Eighth Circuits and the Third Circuit in the *Cooley* case. This Court found that partitions or curtains were unnecessary and that a corridor between the tray stacks was not an essential element, contra to the foregoing Circuits. In short, this Court found that the Smith patent covered broadly a box without partitions in which eggs of all stages of incubation were treated with a defined air current passing over the hot eggs and thence to the cool eggs in a circuit over and over again so as to transmit the heat of the hot eggs to the cool eggs no matter how the eggs were arranged and irrespective of the direction of the current.

This Court said:

> "The drawings and specifications show the eggs arranged in tiers on either side of the chamber, with an open space or corridor between, at the top of which a revolving fan forces the air downward in the open space of the corridor. * * * The specifications and claim both contemplate a continuous circulation of the current of heated air through the chamber, which, regardless of its direction, would continuously operate, by repeated contacts with the eggs in all stages, to equalize the temperature throughout the chamber by carrying heat units from the warmer to the cooler eggs." (pp. 6-8, *Smith v. Snow,* Opinion in Petitioner's Ex. 2, 294 U. S. 10-12.)

When Smith is thus construed, as by this Court, the Hastings prior use as now proved is completely anticipatory. We believe it anticipatory even of the details which

were not fully proved in the Hastings use in previous cases, but that is a moot question now because this patent has been construed by this Court. The only theoretical difference that Smith in his reply brief now advances to distinguish Hastings from Smith is this immaterial claim: that Hastings sometimes set his eggs in several columns of different ages and that as the eggs grew older and hotter, he moved them from one column to the next column sidewise instead of vertically, as in Smith, and that the temperature in the horizontal columns was different. Under the interpretation of this patent by this Court, even if this were true, which we deny, it would make no difference. **The common fan in the Hastings machine blew the air downwardly through each column and thence out of the bottom of each column where the independent streams were reconsolidated and mixed again in the fan for redelivery so that the heat of the hotter eggs would be conveyed back to the cooler eggs.**

As this Court has said, it makes no difference in what order the eggs are placed or in what arrangement or position, so long as the eggs of all stages of incubation and heat are subjected to the forced draft that is continuously passed over them in a defined course. Smith's patent teaches a variation in temperature of five degrees. In practice he has a greater variation. Smith claims that Hastings had a variation in temperature between the columns of eggs as high as ten degrees. As the Smith patent is not limited in its claims to any particular degree in temperature, we would say this quibbling over the Hastings temperature is immaterial. In Smith's application as originally filed he called for a variation of eight degrees, namely, from 98° to 106°. (Vol. II, Rec. 799.)

Smith's claim that Hastings is not an anticipation is refuted by Smith's position as to the James infringement. If this Court will merely reverse the situation and assume

that Hastings was an infringer and James the anticipation, it will see exactly what we mean. Smith says Hastings is not an anticipation because, while eggs of all stages are in the same compartment and are in the path of the same air stream in a single box with that same air stream passing over all eggs repeatedly yet James is an infringer because eggs which are not in all stages are in a box in which the air cannot reach the hottest eggs in the latter stages that are in a separate hatcher.

We fail to see how James can be an infringer when less than all stages of eggs are in the cabinet if it is so material on anticipation that eggs of all stages in the same cabinet are arranged in columns according to age, even though the eggs are engaged by the same air stream to convey the heat from the hottest eggs to the coldest. Smith's position is fatally inconsistent. Either Hastings is anticipation or James does not infringe, if Smith's theory of his patent is consistent. We direct your attention to page 15 of Smith's main brief where he disclaims in effect the James infringement by saying that Smith only covers the stages of *all* eggs in a single box; as James does not have the eggs of the last three days this definition would exclude the James machine from infringement.

POINT IV.

PETITIONER'S INCONSISTENCY OF POSITION ON INFRINGEMENT AND ANTICIPATION.

Petitioner's reply brief emphasizes the inconsistency which exists between the claim of infringement by a separate hatching machine in which all eggs are not located in a single cabinet and the claim of no anticipation by a machine where eggs of all stages are in the same cabinet. This Court need go no further on infringement than to go back to page 15 of petitioner's main brief and observe the new interpretation of the Smith patent, put upon it by peti-

tioner in an effort to avoid the Hastings prior use which clearly eliminates infringement by the separate hatcher machine.

Let us first compare these statements as to the nature of the Smith invention with the position of the petitioner before this Court in the *Snow* case, as found by this Court in its opinion. Petitioner says now in its main brief:

> "The eggs must be set *in staged incubation* • which is defined as a successive setting of eggs within the cabinet at brief intervals." (p. 15.)

This Court has found this to be old. *Smith v. Snow*, 294 U. S. 16, 17.

Again petitioner says:

> "The eggs in staged incubation *must be set in one room* • in order for the heat interchange to function," etc. (p. 15.)

But in separate hatching the eggs are not all set in one room, but in two rooms, so that the heat interchange of the hotter eggs during the last three days, during which they supply 180 per cent of the total heat supplied by the eggs prior to the last three days, cannot function to warm the cooler eggs in the incubator.

Again petitioner says:

> "The air must be circulated *about all of the eggs* • in this single room," etc. (p. 15.)

Note the emphasis *"about all of the eggs"* in the single room. In the separate hatcher only a *part* of the eggs is in the incubator and the eggs are not all in the single room but in two separate rooms.

Again petitioner's brief says:

> "The current of air must move with a *sufficiently high velocity* to maintain the air at the *same tempera-*

• Emphasis is that of petitioner.

> *ture about all* of the eggs, thus breaking down any tendency for the formation of hot or cold spots about any group of eggs, • • • Smith mounted his fans directly within the chamber and vigorously recirculated substantially the same body of air over and over again through the eggs so that the temperature of the air was the same at all points, and all of the eggs, whether new or old, were subjected to the same air temperature." (p. 16.)

In the separate hatcher the eggs in the hatcher are of a different temperature from those in the incubator by as much as 3½ degrees. (Vol. I, R. 255.)

Let us turn to this Court's interpretation of the Smith patent in the *Snow* case. This Court said:

> "It was possible to carry on the process of incubation continuously by placing fresh eggs in the incubator at intervals, *as those of the most advanced stage hatched and the new-born chicks were removed.* It was possible to apply heated air to the eggs at a constant temperature, thus avoiding the necessity of varying by nice adjustments the temperature of the applied air, so as to conform to the varying temperatures of the eggs *as they passed through successive stages of incubation.*" (p. 4, Opinion in Petitioner's Ex. 2, 294 U. S. 6, 7.)

This Court referred to the most advanced eggs as those during the last three days, in the same sense that the patent claims refer to the eggs as the more advanced. It said:

> "They [drawings and specifications] indicate also that as the eggs most advanced are hatched, they are to be replaced by moving downward the trays containing the several successive settings of eggs which are in earlier stages of incubation. • • • So much of the air as was introduced through the intake would thus reach the more advanced eggs first. • • •
>
> "Here the specifications showed an arrangement of the eggs and a means of guiding the current of air so

> that it would reach the most advanced eggs first. But neither the arrangement nor the means of guiding the current of air are requisite to the application of the principle which Smith discovered and claimed. • • • The specifications and claim both contemplate a continous circulation of the current of heated air through the chamber, which, regardless of its direction, would continuously operate, by repeated contacts with the eggs in all stages, to equalize the temperature throughout the chamber by carrying heat units from the warmer to the cooler eggs." (pp. 7-9, Opinion in Petitioner's Ex. 2, 294 U. S. 10-12.)

As pointed out by this Court in its reference to the hotter eggs, these eggs are the ones most advanced in incubation, namely, the eggs during the last three days, which are the hatching eggs in the lower stationary trays of the Smith patent. The principle thus found by this Court in the Smith invention was the combination of the eggs of *all* stages with a stream of air being continuously moved over all of the eggs in a single room.

The Court said in *Smith v. Snow, supra:*

> "It is enough that there is a movement of air in current form following substantially defined paths through the tiers of egg trays, sufficient to effect the desired transfer of heat units." (p. 14, Opinion, Petitioner's Ex. 2, 294 U. S. 20.)

Heretofore, in this Court and below, the petitioner has said eggs can be placed of any age anywhere in any order. The Court so found.

But *now* petitioner says:

> "In order to secure the benefits of the invention, intelligent use must be made of staged incubation so as to secure an approximate balance between the endothermic and exothermic eggs." (p. 15, Main Brief.)

This *new* limitation was an effort to avoid the Hastings prior use. Before discussing this, let us again point

out that the James machine does not have all the eggs in the same cabinet. The eggs in the more advanced stage, or as this Court said, in the most advanced stage, that is the last three days, are in a separate hatcher where there is no churning of the air and no air movement created artificially. There is no chance for the heat of those last three days reaching the earlier eggs. The incubator and hatcher are entirely separate machines, having separate characteristics, with different temperatures and different moisture conditions. The air is not circulated about all of the eggs at all stages of incubation. The temperature of the different groups of eggs in James, that is those that are incubating and those that are hatching, is different. In the incubator the temperature is 100½ degrees; in the hatcher it is 102 to 104 degrees. Humidity, which is a factor of the temperature, is also different, being 82-85 degrees in the incubator and unlimited moisture in the hatcher.

Now why did Smith virtually disclaim infringement by James in this Court on page 15 of his main brief? It was because of his effort to avoid the Hastings prior use by trying to claim that the Hastings prior use consisted of a number of separate compartments in each of which the eggs were of different ages and different temperatures. By attempting to limit the Smith patent to a single compartment with uniform temperature, Smith hoped to avoid anticipation by Hastings on the theory that Hastings had multiple compartments. Unfortunately for Smith this was not the whole story as to Hastings. The separate compartments of Hastings, even if the eggs were so heated, were **all in air communication with a common air stream being supplied to all compartments and returned from all compartments with a common fan, so that the heat of all eggs in a single cabinet was conveyed to the cooler eggs in the same cabinet as these independent compartments were housed in a single cabinet or box.** This Court said that it

makes no difference as to the order of the eggs as long as the heated air is recirculated among the eggs. (*Smith v. Snow*, 294 U. S. 12.)

Thus the fallacy of these attempted limitations of the Smith patent to avoid the Hastings prior use is apparent. Of course, in urging these limitations that certainly exist in this Smith patent, there can be no infringement by the James incubator and separate hatcher. It was not until this case came back to this Court, based upon the Court of Appeals of the Second Circuit sustaining the Hastings prior use, that Smith has taken the position in this case that his patent is so limited. Heretofore in this case his position has always been that his patent was broadly for mechanically stirring air over eggs of different ages, that is, if an egg were cold on the ninth day and there was another egg that was warm because it was ten days old, and you stirred the air over those two eggs, you would have the Smith invention. It was only on that theory that infringement by James could be made out.

POINT V.

ERROR BY PETITIONER AS TO WHEN RESPONDENTS STARTED SEPARATE HATCHING.

In the opening argument for petitioner a very grave misstatement was made by counsel to the effect, as we recall the statement, that respondent started separate hatching but recently and only for the purpose of giving a colorful argument to non-infringement, after this Court had sustained the Smith patent for the purpose of trying to avoid this Court's decision. **The record refutes this statement.*** Here are the facts, which are especially important

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* When we so replied at the argument and called this Court's attention to this error there was no denial that this was a misstatement.

as showing the fundamental reason why Respondent's method is basically different from that of the Smith patent:

In 1921 Respondent started its poultry division by securing the services of Professor Dann of Cornell University to investigate incubators. Simultaneously their research engineer, Mr. Shodron, was assigned to the engineering design. In 1923 a sectional machine was put on the market. The growth of bacillary white diarrhea from 1923 to 1925 resulted in recommendation by the American Veterinary Medical Association and the Kansas City State Agricultural College in 1926, that forced draft cabinet machines in which eggs of all ages were incubated and hatched resulted in an increased spread of the disease to other chicks in the same machine. (Vol. I, R. 295, Res. Ex. 66, Vol. II, Rec. 1222-25.)

The American Veterinary Medical Association reported:

> "A large number of inquiries concerning incubators, as a possible means of disseminating bacillary white diarrhea infection of chicks, led us to study this problem. • • •
>
> "The continual circulation of chick-down in the forced-air-draught type of machine, at the time of hatching, suggested a possible means of dissemination. • • •
>
> "We made a qualitative study of the bacteriology of three forced-air-draught type incubators and one sectional type. We then made quantitative studies, and the results of these studies will be published in another paper. We found that after each hatch there was a direct relationship between the time of incubation and the number of organisms (in a machine of the forced-air-draught type). After thoroughly cleaning and disinfecting the incubator, we obtained very few organisms. However, as soon as the chicks began to hatch, the number of organisms greatly increased until the chicks were removed. This was not true of the

sectional type of machine, where the number remained approximately the same throughout the period of incubation, although at the time of hatching the flora changed to the same as that observed in the forced-air-draught type of machines. • • •

"**1. That bacillary white diarrhea was disseminated by artificially infected chick-down, placed in a forced-air-draught type incubator.**" (Vol. II, R. 1222, 1223, 1225.)

In *Respondents' Exhibit 67 On Spread of B. W. D. Infection*, the bulletin of the Agricultural Experiment Station, Kansas State Agricultural College, Manhattan, Kansas, said:

"Bacillary White Diarrhea

"in Fowl

"Summary

"The Incubator as a Source of Infection

"A large number of inquiries concerning incubators as a possible means of spreading bacillary white diarrhea, led the writers to study this problem. The complete report of the experiments on such dissemination has been published (Hinshaw, Upp, and Moore, 1926.) • • •

"In a study of the bacteriology of various types of incubators, *it was found that the bacterial content of the air in the forced-air-draft type of incubator increased very markedly at hatching time.*" (Vol. II, Rec. 1227.)

"There is no doubt but that fecal organisms spread throughout the incubators of the forced-air-draft type; and since it has been proved that the infected droppings are one of the chief sources of infection, *it is logical to assume that S. pullorum can be transmitted throughout the machine by the air current.* This may also be true with other types of machines." (Vol. II, Rec. 1229.)

And again in *Respondents' Exhibit 66*, the (February, 1926) Journal of the American Veterinary Medical Association said:

> "The continual circulation of chick-down in the forced-air-draught type of machine, at the time of hatching, suggested a possible means of dissemination."
>
> "Bacteriology of Incubators
>
> "We made a qualitative study of the bacteriology of three forced-air-draught type incubators and one sectional type." (Vol. II, R. 1222.)
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> "Conclusion
>
> "In conclusion we wish to state:
>
> "1. That bacillary white diarrhea was disseminated by artificially infected chick-down, placed in a forced-air-draught type incubator.
>
> "2. That chicks hatching in the compartment opposite to the one in which infected down was spread did not suffer as high a per cent mortality as chicks hatching in the infected compartment.
>
> "3. That similar results were obtained by infecting the down of hatching chicks and exposing healthy chicks to the down which might be carried from the infected chicks to the non-infected." (Vol. II, R. 1225.)

The foregoing establishes *(a) the communication of the disease B. W. D. in forced draft incubators,* such as Smith's; **(b) establishes by improved practice the hatcher should be a separate apparatus, separately used,** from the incubator, where the infection or communication of such disease is to be avoided; **and (c) that, therefore, a separate hatcher, such as involved in this suit, is of prime importance and economic value.** The cabinet machine referred to was of the Smith type. **This led to Respondent developing the idea of a separate hatcher machine.** In the spring of 1926, Respondent built its first experimental separate incubator, using its sectional machine as the separate hatcher, which it still uses. Experimental work continued

until 1930 when the first commercial machine was marketed. Thirty-five thousand dollars ($35,000) was spent upon this experimental work. The executive of Repondent in charge of this work said:

> "To my personal knowledge our company has never, at any time, had a Smith incubator in our shop or in our development department. To my knowledge our men in the engineering or development or shop use have not operated the Smith incubator during the period of our experimental work. So far as my knowledge is concerned, the Smith machine has had no connection with the development of our machine.
>
> "We were the pioneers in the incubating business in providing a machine for incubation and another machine for hatching, such as I have described. In addition to what I have said, this disease question was mainly the principal motive in having these two separate machines. At the same time, we wanted to produce a quality chick." (Vol. I, Rec. 298.)

Again he said:

> "We still use the hatcher on our sectional machine as an incubator hatcher. In the development of the incubator hatcher, our developing department had in mind the desirability of using the sections of the so-called sectional machines as the hatching section for the incubator hatcher and those sections are still used in that manner." (Vol. I, R. 299.)

This suit was started July 11, 1930. As Respondent's apparatus was completely developed and put on the market some years before 1930, and many years before this Court's decision, the statement of counsel for Petitioner that separate hatching was a recent excuse has no foundation in fact.

James incubator cannot hatch.

The Smith claims 1, 2 and 3 are devoted to a method of hatching. Smith is claiming that James' incubator is the only infringing machine and disclaims the James separate

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James incubator cannot hatch.

The Smith claims 1, 2 and 3 are devoted to a method of hatching. Smith is claiming that James' incubator is the only infringing machine and disclaims the James separate

hatcher as being within the purview of this litigation. Therefore it is pertinent to inquire whether the result specified by the Smith claims of the Smith patent can be produced by the James incubator. The answer is "No." The incubator does not hatch. The temperature and moisture conditions are not suitable. If you tried to hatch in the James incubator there would not be space enough between the trays for the chicks; and even if there were space enough, the chicks would fall out of the trays into the rapidly revolving stirrers on the bottom of the incubator where they would be killed. The machine is not adapted for hatching and Smith does not claim that it has ever been so used. A machine or a method or both, which do not produce the same result are not infringements.

Goodyear v. Davis, 102 U. S. 222, 230;
Gould v. Rees, 15 Wall. 187, 194;
Royer v. Coupe, 146 U. S. 524, 530, 531;
Westinghouse v. Boyden, 170 U. S. 537, 569.

POINT VI.

ERROR OF PETITIONER AS TO HASTINGS' AIR SPEED BEING DIFFERENT FROM SMITH'S AIR SPEED.

Petitioner's counsel in argument said that Hastings air speed was too slow to be of any moment because it was only thirty feet a minute. He stated that this was so slow that you could hardly walk that slowly.

What Hastings testified to was that the air was changed in his incubator completely every thirty seconds. "In the practical plant the entire volume of air passes through the fan every thirty seconds." (Vol. II, R. 756.) His later statement as to the thirty feet per minute is evidently in error, as he was referring to the thirty second change of all of the air. But even if it was thirty feet per minute, as there is no denial that thousands of chicks were successfully hatched by Hastings, it does not seem to be material

It has been observed that during incubation embryos are injured more frequently in certain periods of development than in others. Many embryos, being naturally weak, die at these particular periods, which might be called *critical* periods.

There are at least two critical periods in the life of the chick embryo. They fall invariably on the fourth and nineteenth days of incubation.

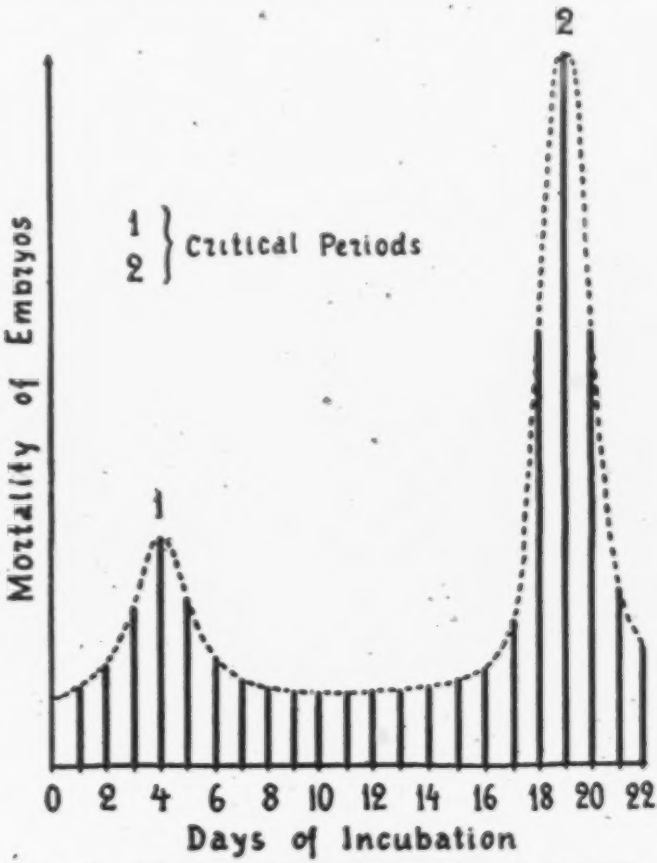


FIGURE 3. DISTRIBUTION OF EMBRYONIC MORTALITY IN ARTIFICIAL INCUBATION

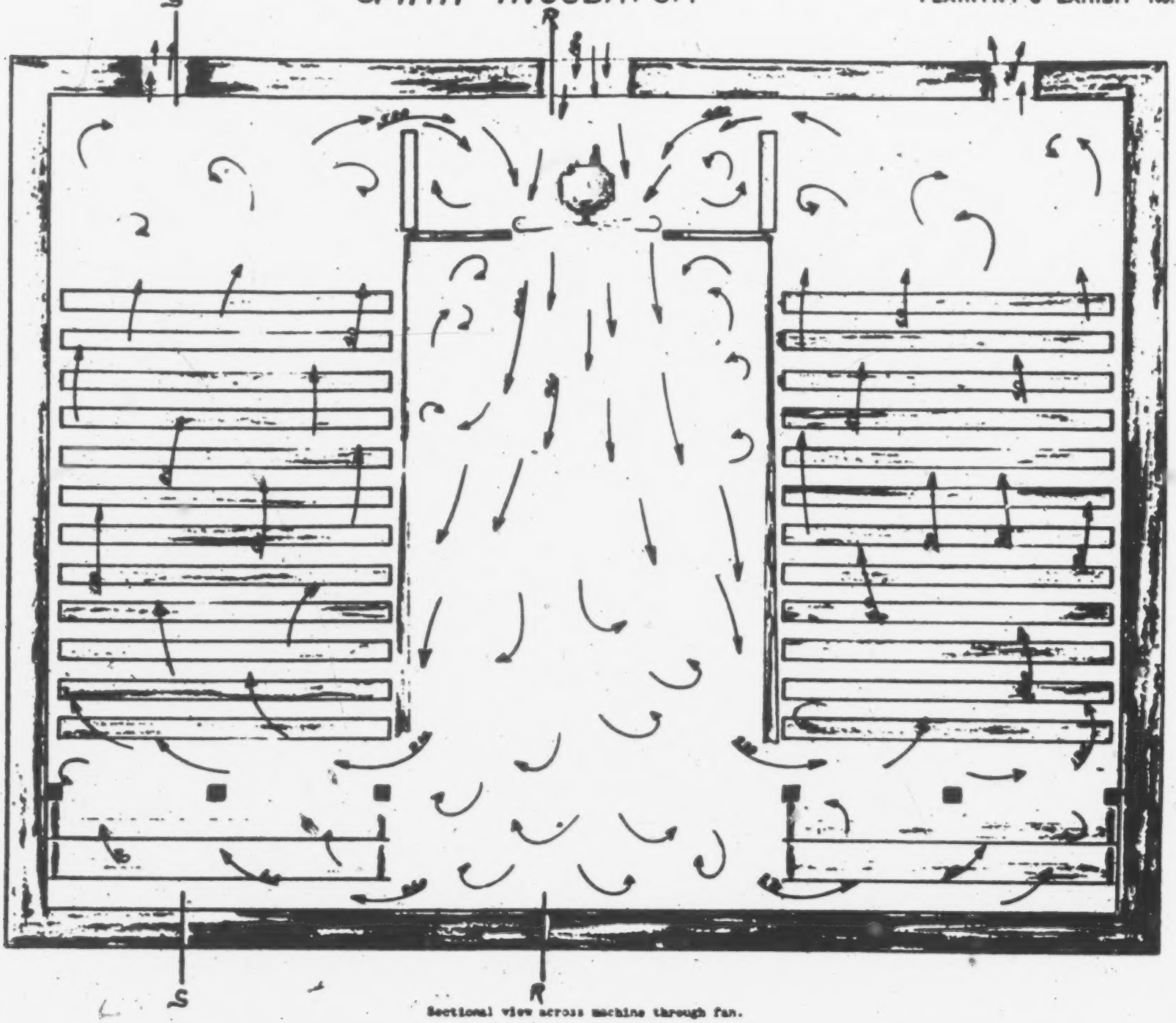
Under ordinary conditions of artificial incubation there are at least two critical periods in embryonic life, shown by heavy mortality at the fourth and the nineteenth day of incubation.

Furthermore, the embryonic mortality is found to be much greater at the second critical period than at the first. Under ordinary conditions of artificial incubation, an average of about 3 embryos per 100 die at the first critical period, about 15 at the second, and about 7 during the rest of the incubation period (figure 3). Under exceptional conditions, the

PETITIONER'S EXHIBIT 11A SHOWING 40 FT. AIR PER MINUTE IN THE SMITH MACHINE.

SMITH INCUBATOR

PLAINTIFF'S EXHIBIT No. 11 A



Sectional view across machine through fan.

Arrows show general direction of air currents. Numbers give approximate speed of currents as recorded by anemometer (Siren).

Readings in lower two trays were taken with anemometers in the trays.

Fans were rotating 1600 to 1650 R. P. M.

Air which passes from corridor under lower two trays goes through the trays to space above. In upper twelve trays a very small per cent of the air which has come from the corridor passes through the tray. The large portion of it goes up the air columns between the trays.

The long arrows sweeping across sides of upper twelve trays show currents between tray columns.

because **the Smith claims are not limited to any particular speed per minute nor does the specification state the limitations of air speed in the Smith machine.** So long as the air travels fast enough to maintain a substantially even temperature, that is sufficient. That, Hastings had, as shown by the results that he got.

Furthermore, in the Smith machine the speed is as low as 40 feet per minute, (Pet. Exs. 11, 11a) and in the James machine, claimed to be an infringement, the speed of air where the eggs are located, in many places, as shown by petitioner's test in Exhibit 24, ranges from 0 to 30 feet per minute. If thirty feet per minute air speed is a ground for lack of anticipation by Hastings, then the presence of thirty feet per minute in the James machine is a ground for non-infringement. The only limitation this Court put upon Smith's air speed was that it should be in a defined circuit and should be forced draft as distinguished from natural draft by hot lamps and the like.

Best of all, let us look at petitioner's own exhibit 11a, based upon petitioner's own *ex parte* tests of its own machine. **Its own air speeds are as low as forty feet a minute. We find the physical embodiment of the Smith incubator, offered by petitioner, tested by petitioner and proved by petitioner, as having speeds practically the same as that of the Hastings machine.**

POINT VII.

SEPARATE HATCHING PUBLICLY DISCLAIMED BY SMITH.

The highest chick mortality occurs about the 17th to 18th day. This is the reason for adjusting the conditions of temperature and moisture exactly during this period with great care, which can only be done by moving the eggs from the incubator to a separate hatcher. This high mortality period is shown in the circular of the petitioner reproduced herewith. (Vol. II, R. 1138, Res. Ex. 38.) In this exhibit Smith says:

"*This is particularly important on the 18th and 19th days of incubation when the greatest death loss in the shell occurs.* At this critical period, the eggs are two to three degrees warmer than the incubator temperature and naturally are cooled by the air which moves around them. They are so sensitive to temperature changes that air gaps or holes in the egg formation in the trays have a definite bearing on the hatchability of otherwise good eggs. **Doesn't this careful, scientific research prove to you that any method of hatching which involves the moving or disturbance of eggs during the critical period means a decrease in hatching percentages? We think you will agree that it does.**" (Vol. II, R. 1135.)

Smith has publicly disclaimed in the trade and to the public separate hatching from coming within his invention.

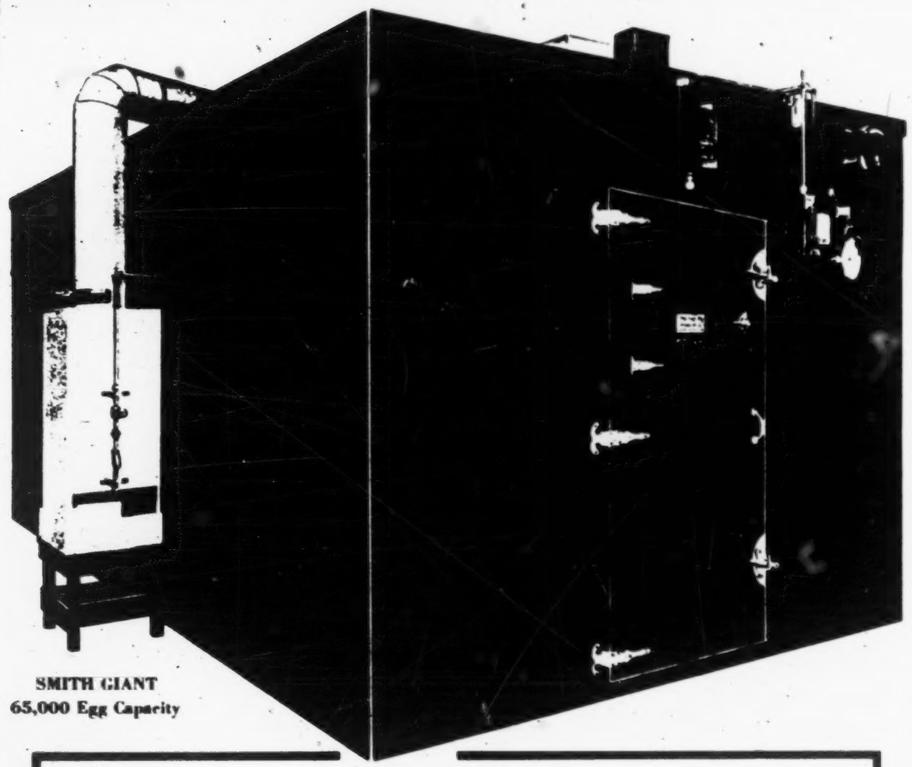
His publications to the trade and recommendations to hatcherymen are directly contrary to his position in this case that separate hatching comes within his patent. In Ex. 38, Smith's broadside circular, he says:

"Smith hatches best. *Because eggs are never disturbed during critical period. 18th day to pipping time.* Another scientific reason why **Smith research has continually advised against separate hatchers** and all other methods where retraying on the 18th day is necessary." (Vol. II, Rec. 1135.)

In explaining why separate hatching does not come within his method, Smith says in this same circular:

"On the eighteenth day of incubation, important changes are taking place in the development of the chick. Up to this time it has lived on the albumen or white of the egg, but now begins to assimilate the yolk. We all know how a change of feed affects chicks when they are in the brooder and can understand how a similar change would affect the chick while it is still in the shell. The heat curve in Figure 4 illustrates how this new food retards the heat development. Figure 3 shows that under normal incubation 60 per cent

Smith Hatches Best . Because Eggs
During Critical Period . . 18th Day



SMITH GIANT
65,000 Egg Capacity

The Smith Incubator—from the smallest to largest—represents equipment which a hatcheryman may have installed by factory experts to *place him in a position whereby he may take full advantage of the suggestions and service of the Smith Organization.* However, the discoveries made by the Smith Research Department are offered freely to the whole hatchery industry. As time goes on, competition will lay its heavy hand on the inefficient hatcheryman. He must get up-to-date as to methods and equipment or pass out of the picture. We offer our services to all who are progressive, anxious to learn and get ahead.

Another Scientific Reason Why Smith Re
Has Continually Advised Against Sep
Hatchers and all other methods where ret
on the 18th day is necessary

You cannot dodge facts. You cannot rely on theory. You cannot follow unproven methods safely. These emphatic statements should be of more than passing interest to hatcherymen who are all—without a single exception—in the very midst of changing conditions which have no parallel in the entire history of the industry.

The facts about better hatching—even if they do uproot old ideas—are given to the industry by Smith Research only after the most careful and painstaking scientific study. *Nothing is ever taken for granted.* A conclusion is never accepted hurriedly. That is why we maintain our Research Department and study hatchery problems year after year.

On warm days, you enjoy a breeze so long as that breeze is not too strong or too cool.

In the Smith, the eggs are comfortable—the temperature and the air movements are designed to keep them comfortable.

This is particularly important on the 18th and 19th days of incubation when the greatest death loss in the shell occurs. At this critical period, the eggs are two to three degrees wa
bator temperature and naturall
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Doesn't this careful, scientif
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Doesn't Your Better Business Judgment S
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Let Smith Protect You on Possible Price Increases

There is a powerful lever lifting commodity prices today. The rise is being felt in every branch of industry, and incubators are no exception to the rule. The price trend is upward.

However, we have anticipated our requirements, and stand ready and willing to protect you on possible price increases if you get in touch with us at once.

We will help you save money as well as make money.

Liberal Terms

Lack of considerable ready cash need not stand between you and a new Smith Incubator. You may buy on the basis of extremely liberal terms if you so desire. The first payment is small, and you are allowed three years to pay the balance. In addition we will make a worthwhile trade-in allowance for your old equipment. Smith leaves no stone unturned to enable a hatcheryman to enjoy the benefits and advantages of Smith Incubators. We will go a long way to put you out in front in this profitable business.

The facts about better hatching—even if they do uproot old ideas—are given to the industry by Smith Research only after the most careful and painstaking scientific study. *Nothing is ever taken*

Doesn't Your Better Business Judgment Su the Advantages of a Smith Incubator an Advisability of Having the Smith Organi Constantly Helping You With Your Pro

There is a Smith Model to Suit Every Need

Buying an incubator involves the careful consideration of housing, cost of operation and the company behind the machine you buy. The Smith takes less floor space per egg capacity than any other machine on the market. Operation of Smith Machines has brought many expressions of enthusiastic praise due to its low cost of current consumption and labor required.

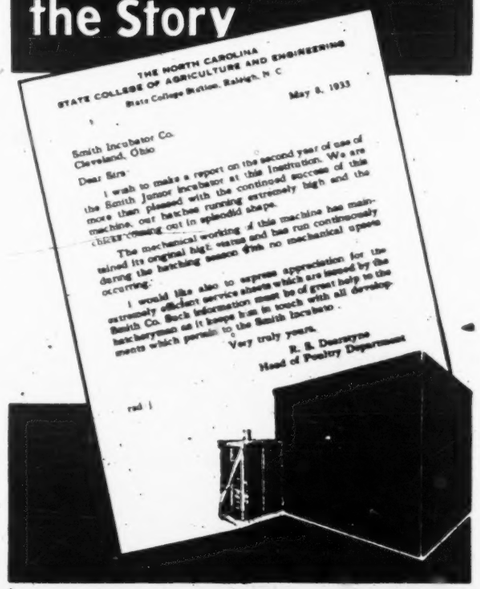
Smith Pays the Freight and Installs It

Smith Service, too, has been highly endorsed because of its quick response to any and all demands. Smith pays the freight, and all installations are made by factory experts without charge. No other incubator manufacturer does this.

There isn't a single, solitary reason why you shouldn't have a Smith. There is a capacity to suit every requirement:

Smith Junior	30,000 Eggs
Smith Intermediate . . .	39,000 Eggs
Smith Old Reliable . . .	52,000 Eggs
Smith Giant	65,000 Eggs

This Letter Tells the Story



THE NORTH CAROLINA
STATE COLLEGE OF AGRICULTURE AND ENGINEERING
State College Station, Raleigh, N. C.

May 8, 1933

Smith Incubator Co.
Cleveland, Ohio

Dear Sirs:

I wish to make a report on the second year of use of the Smith Junior incubator at this Institution. We are once than pleased with the continued success of this machine, our hatches running extremely high and the chicks coming out in splendid shape.

The mechanical working of this machine has maintained its original high record and has run continuously during the hatching season with no mechanical upsets occurring.

I would like also to express appreciation for the extremely efficient service which are issued by the Smith Co. Such information sheets is of great help to the hatcheryman as it keeps him in touch with all developments which permit to the Smith Incubato

Very truly yours,

R. S. Dearmyne
Head of Poultry Department

Today the uppermost thought in the hatcheryman is to lessen labor and hatch. Every iota of information lendi more quality chicks at no increase in o attention of men and women everywhere

This announcement, therefore, com time. It not only serves to impress th stant and careful research that is bein by The Smith Incubator Company, bu this company does not hesitate to practices when such a course will open for the hatcheryman who uses Smith

• • •

Every hatcheryman who operates *fails to enthusiastically endorse Smit* that a Smith Incubator is only a me more profit for the man or woman hatching chicks. This chick business i of problems—subject to constant stu

No one realizes these facts more ke cubator Company, and this realizatio to the whole hatching industry when says: "Hands Off on the Eighteenth D

SMITH INCUBATOR COMPA
CLEVELAND OHIO

Because Eggs are NEVER Disturbed
riod . . 18th Day to Pipping Time

r Scientific Reason Why Smith Research ontinually Advised Against Separate rs and all other methods where retraying on the 18th day is necessary

facts. You cannot rely on follow unproven methods statements should be of terest to hatcherymen who gle exception—in the very onditions which have no history of the industry.

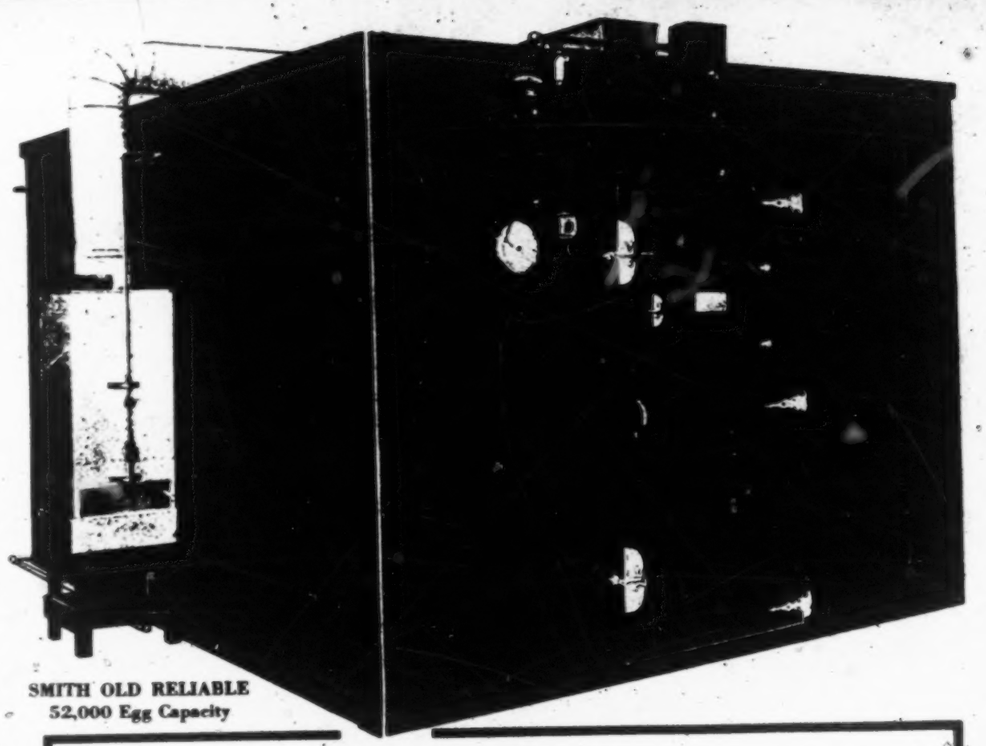
ter hatching—even if they e given to the industry by after the most careful and tudy. *Nothing is ever taken for granted.* A conclusion is never accepted hurriedly. That is why we maintain our Research Department and study hatchery problems year after year.

On warm days, you enjoy a breeze so long as that breeze is not too strong or too cool.

In the Smith, the eggs are comfortable—the temperature and the air movements are designed to keep them comfortable.

This is particularly important on the 18th and 19th days of incubation when the greatest death loss in the shell occurs. At this critical period, the eggs are two to three degrees warmer than the incubator temperature and naturally are cooled by the air which moves around them. They are so sensitive to temperature changes that air gaps or holes in the egg formation in the trays have a definite bearing on the hatchability of otherwise good eggs.

Doesn't this careful, scientific research *prove to you that any method of hatching which involves the moving or disturbance of eggs during the critical period means a decrease in hatching percentages?* We think you will agree that it does.



SMITH OLD RELIABLE
52,000 Egg Capacity

We have stated repeatedly—and say so again—that we do not consider a Smith Incubator merely as so much wood, metal and wiring. We look at it rather as a modern, scientific achievement for the production of the greatest number of saleable chicks at the lowest cost. Such an achievement could not possibly be represented in terms of materials. It must—and is—represented by the findings we have made—the facts we have discovered—which are gladly and freely passed along for the betterment of the hatchery industry.

t Your Better Business Judgment Suggest dvantages of a Smith Incubator and the bility of Having the Smith Organization tly Helping You With Your Problems?

> **ment, properly speaking,** and vests in the assignee a title in so much of the patent itself, with a right to sue infringers; in the second case, jointly with the assignor; in the first and third cases, in the name of the assignee alone. * * *." (p. 255.)

The rights of an absent person, such as The Buckeye Incubator Company, cannot be disposed of without it being present. In *Shields v. Barrow,* 17 How. 130, this Court said:

> "It remains true, notwithstanding the act of Congress and the 47th rule, that a **circuit court can make no decree** affecting the rights of an absent person, and can make no decree between the parties before it, **which so far involves or depends upon the rights of an absent person that complete and final justice cannot be done between the parties to the suit without affecting those rights.**" (pp. 141-142.)

Mr. Chief Justice Taft said, in *Independent v. Radio,* 269 U. S. 459:

> "Indeed both the owner and the exclusive licensee are generally necessary parties in the action in equity." (p. 466.)

Respondent relies upon the doctrine established by this Court in *Crown v. Nye,* 261 U. S. 24, where there was a separation between a right to sue and the legal title. This Court held that both interests must be joined in a common suit. If this were not the rule, we would have endless abuses from speculative lawsuits authorizing rights to sue apart from the ownership of patents, which implies interests to be protected legitimately by the patent.

The evil of permitting a separation of legal title and the right to sue is amply demonstrated in this case. Smith has been conducting a "campaign" of litigation.* Of

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* Since the court sustained the patent, some 358 additional cases have been brought by him. (Official Gazette.)

course, the vast majority of defendants were using the smaller incubators. Smith was not being injured competitively, but his profit was in litigation. His contract provided for no share of this return to be turned over to Buckeye. As Mr. Chief Justice Taft said in the above case:

> "These cases do not present the same facts as the one before us; but *they indicate clearly what view the courts deciding them would have taken of an effort like that in the case at bar to divide up the monopoly of patent property so that the patentee retains the right to make, use and vend, but gives to many different individuals the right to sue certain named infringers, respectively, and that with the sole motive of harassing them such as is avowed in the recitals of the instrument before us.* If held legal, it would give the patentee an opportunity without expense to himself to stir up litigation by third persons that is certainly contrary to the purpose and spirit of the statutory provisions for the assigning of patents.
>
> "Nor do we think that the principle of *Patterson v. Kentucky*, 97 U. S. 501, or the instance of a patent for an improvement on a machine, patent for which is held by another, involves anything inconsistent with our conclusion that the right to exclude others conferred in a patent can only be conferred upon one who has the common law right to use, make and vend." (pp. 38-39, *Crown v. Nye*, 261 U. S. 24.)

The Court then concludes:

> "If the owner of the patent when the infringements took place has assigned his patent to one, and his claims for damages for infringement to another, then the latter can not sue at law at all but must compel his assignor of the claims to sue for him. In equity both such assignor and the assignee who is the real party in interest must join as plaintiffs." (p. 44.)

Recently, this Court, in *Peters v. Bates et al.*, 295 U. S. 392, affirmed this view that you could not maintain a suit on a patent based upon a contractual right to recover profits

and damages where the plaintiff did not own that portion of the patent invaded. In this case, the Court held that a sale by a patentee of all his interest in a pending suit to enjoin infringement and for an accounting, but passing no right in the patent, gives the purchaser no right to an injunction, and hence, no right to intervene, saying:—

> "Harriet E. Cole, the purchaser at the receiver's sale, has asked leave to intervene in this Court, but as she has not acquired through her purchase the title to, or an interest in, the patent, she is not entitled to seek an injunction to restrain infringement. *Crown Die & Tool Co. v. Nye Tool Works*, 261 U. S. 24, 38, 39; *Boomer v. United Power Press Co.*, 13 Blatch. 107, 112, 113; *Kaiser v. General Phonograph Supply Co.*, 171 Fed. 432, 433. The right to such an injunction underlies the equitable jurisdiction here invoked. *Root v. Railway Co.*, 105 U. S. 189. The motion for leave to intervene is denied.
>
> "By order of the state court, the receiver, as such, succeeded to the patent right and to the cause of action here involved. But the receiver, while retaining the patent, has disposed, with the approval of the state court, of his entire interest in the present suit against respondent. As the petitioner in these circumstances is not in a position to maintain this suit, the Court is of the opinion that the writ of certiorari should be *Dismissed.*" (p. 394.)

This Court in *Crown v. Nye, supra,* cited with approval Mr. Justice Blatchford's opinion in a case involving similar facts when he was sitting on Circuit in the case of *Gordon v. Anthony,* 16 Blatch. 234, 10 Fed. Cas. 773, No. 5605, where he said:

> "'A claim to recover profits or damages for past infringement cannot be severed from the title by assignment or grant, so as to give a right of action for such claim, in disregard of the statute. The profits or damages for infringement cannot be sued for except on the basis of title as patentee, or as such assignee or

grantee, to the whole or a part of the patent, and *not on the basis merely of the assignment of a right to a claim for profits and damages, severed from such title.*" (*Crown v. Nye,* 261 U. S. 24, 42.)

In *Radio v. Hohenstein,* 289 F. 757, 759, (C. C. A. 2), the Court said:

"There can be no assignment by the owner of a patent of the remedy to which the patent entitled him, unless he also assigns the patent itself, out of which the remedy grows." (page 759.)

In *Moore v. Marsh,* 7 Wall. 515, 520, this court said;

"• • • but where the assignment is of an undivided part of the patent, the action should be brought for every infringement committed subsequent to the assignment, in the joint names of the patentee and assignee, as representing the entire interest." (Page 520.)

Tyler, et al. v. Tuel, 6 Cranch 324; *Moore v. Marsh,* 7 Wall. 515, 520; *Gayler v. Wilder,* 10 How. 477; *United States v. Loughrey,* 172 U. S. 206; *Independent Wireless Telegraph Company v. Radio Corporation,* 269 U. S. 459; *Six Wheel Corporation v. Sterling,* 50 F. (2d) 568 (C. C. A. 9); *Radio v. Hohenstein,* 289 F. 757 (C. C. A. 2); *Green v. Le Clair,* 24 F. (2d) 74, 77 (C. C. A. 7); 48 *Corpus Juris,* Sec. 541, page 338.

The case in the Seventh Circuit of *Green v. Le Clair, supra,* involved facts that are closely parallel to the present facts. The court followed this Court in *Crown v. Nye, supra.*

In this case, Smith does not own the undivided part of this patent which corresponds to the right of recovery for the invasion here, if any, which is in connection with 5,000-egg incubators, as the Buckeye Incubator Company had the exclusive rights up to 16,500 egg capacities.

While this question can be raised at any time, it was raised in the District Court and in the Court of Appeals for the Second Circuit in this case. *Alcohol v. Canfield*, 11 F. (2d) 214, 216 (C. C. A. 2d); *Walker on Patents*, Vol. 1, page 545, Sec. 450, 6th Ed.

We, therefore, say that Smith has no place in this Court as the sole party plaintiff. Indeed, we do not think that Smith has any right here at all.

POINT XVI.

CONCLUSION.

Petitioner is asking here a broader construction of his patent than was accorded to him by this Court in the *Snow* case. This is necessary to petitioner to make out even a prima facie case of infringement. In contrast with this position, petitioner is asking for a much narrower construction of his patent when the Hastings prior use is being considered in order to try to avoid that prior use by limiting the Smith patent.

Respondents are content with this Court's interpretation of the patent in the *Snow* and *Waxham* cases. With such an interpretation and using petitioner's own witnesses and Exhibit B introduced by petitioner from the *Stone* case as to the Hastings prior use, anticipation of the Smith patent is clearly demonstrated. We say this because petitioner can certainly have no complaint about the accuracy of his own witnesses and his own exhibit drawing.

Respectfully submitted,

H. A. TOULMIN,
H. A. TOULMIN, JR,
Counsel for Respondents.